Attachment 2

Phone Conversation: U.S. EPA, 3M, and Abt Associates, Inc.
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Company Information

- 3M is the only manufacturer of polymer composite wheel weights of which they are aware
- 3M has been in the wheel weight market for 3 years
- 3M represents 1-2% of the U.S. wheel weight market

Properties of Polymer Composite Weights

- Weight comes in roll form, allows installer to cut any size and weight
  - This could result in less need for rebalancing, fewer rejects, and less scrap
  - Reduces amount of inventory needed in a shop
- Replaces clip-on weights with an adhesive weight
  - Tape weight is applied to plane near brake caliper, or on the inside or outside of the wheel flange
- Soft material eliminates chance of scratching the wheel surface
- Polymer composite does not undergo any galvanic reaction
  - Material does not corrode and stain wheel surface
- 3M polymer composite weights are made from 89% recycled material
- Adhesive weight requires the surface to be cleaned and free of oil
  - 3M offers a citrus-based, oil-free cleaner
  - The industry commonly uses brake cleaner, or other oil-based products

Cost Information

- In comparison with discrete weights, polymer composite weight sizes have a linear price, i.e., cost per unit is the same for any weight size
- 3M product is competitively priced with wheel weights of other materials
- The wheel weight is generally a "shop item," i.e., service shops do not mark up the cost of the weight for a profit
- Installer market can be segmented into dealerships, service shops, and tire shops
- Installers do not typically include a line item for wheel weights; instead, there is an implicit cost for the weights included in the overall price of the service
  - Depending on the amount of weights used, this could over or underestimate the actual cost of the weights; installers assume this averages out to cover costs
  - High end custom wheel shops might include a line item cost based on the diameter of the wheel, as larger wheels typically require more weight
  - High end luxury vehicle shops might include a line item since special weights may need to be imported

Inventory Information

- Installers could potentially need to keep as many as 11 weight types of different sizes when using discrete weights

- Tire stores keep an inventory of many different types of weights
- Dealerships generally keep only a particular style of weight
- Installers would not necessarily need all clip-on flange type weights when using lead because the weight could be forced to fit the wheel
    - This may not be possible with steel weights
- A large distributor might keep $100,000 worth of wheel weights in inventory
- Shops might keep $4,000-$6,000 worth of wheel weights in inventory
    - Smaller weights are used more frequently
    - Some weights kept in inventory may be a year old

Disposal

- During rebalancing, a shop could either leave the existing weights on the wheel, or remove existing weights
- Polymer composite weights can follow the normal waste stream, i.e., disposed of in a municipal landfill

Public Education

- 3M has engaged in EPA's National Lead Free Wheel Weight Initiative, information webinars, advertisements in trade magazines, and press releases to inform the public of their lead-free wheel weight product